



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

August 25, 1998

Gary Mullard
Northern Stone Supply
P.O. Box 249
Oakley, Idaho 83346

Re: Acceptance of Notice of Intention to Commence Small Mining Operations, Turquoise Stone Project, S/003/020, Box Elder County, Utah

Dear Mr. Mullard:

In December 1992, the Division received your Notice of Intention to Commence Small Mining Operations for your Turquoise Stone Project, located in the NW1/4 of Section 18, T13N, R13W, SLBM, Box Elder County, Utah. Later in April 1993, the BLM performed an environmental assessment and an inspection of the area and estimated that the site had 6.5 acres of disturbance which would categorize this operation as a large mining operation. The Division, therefore, changed the status of this operation to a large mine category. This acreage discrepancy was not resolved until this time due to challenges against the BLM from the operator. The Division had suspended taking action of requiring a Notice of Intention to Conduct Large Mining Operations until appeals with the BLM were resolved.

Effective July 1998, the Legislature approved the implementation of a fee structure for mining operations. The Turquoise Stone quarry was originally assessed \$350.00 as a large mining operation. In July 1998, you called and objected to the large mine fee assessment for this site. You requested resolution of the actual disturbed acreage in order to have the correct permit fee assessed to this project. The Division performed a site inspection on August 20, 1998 (copy enclosed) which included a GPS survey of the disturbed areas. The results of this survey showed 5 acres of active mine related disturbance and 3 acres of pre-law disturbance. On August 14, 1998, the Division received the correct permit fee of \$100.00 for a small mining operation.

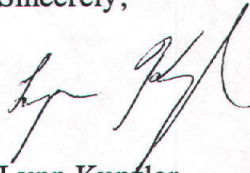
A variance from rules R647-3-107.5 and 109.12, (topsoil salvage and redistribution) in the quarry areas is justified due to the lack of soil material in these areas and the fact that none had been salvaged from past (pre-law) activities. The operator is saving fines from his operation to use for reclamation as a substitute soil material. **This variance is hereby approved.**

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Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer. The operator is encouraged to consolidate and reclaim as much area as possible in order to facilitate future expansion of operations.

Thank you for your cooperation in resolving this outstanding notice. If you have any questions regarding this letter, please contact me at (801) 538-5310.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lynn Kunzler', with a stylized flourish at the end.

Lynn Kunzler
Senior Reclamation Specialist

jb
Enclosure: 8/25/98 inspection memo
cc: Cheryl Martinez, BLM, U-69380
Tracking File
S003020.noi